

Thank you for attending the Indiana Utility Regulatory Commission's (IURC's) public field hearing this evening. The IURC's order in the Aqua Indiana rate case is expected later this year, with no final decision to be made tonight.

The IURC is the state agency that has jurisdiction over Aqua Indiana's rates. State law requires the IURC to balance utility and ratepayer interests, and to base its decision in each case on the evidence in the record.

The Indiana Office of Utility Consumer Counselor (OUCC) is the separate state agency that represents ratepayer interests in IURC cases. We'd like for you to know several things about the process:

An IURC public field hearing is a formal, legal proceeding.

- An Administrative Law Judge presides. At least one IURC Commissioner is present.
- An OUCC attorney also participates. Attorneys for the utility and intervening parties may participate, as well.
- A court reporter records oral testimony.

You may speak, provide written comments, or do both.

- To speak, please complete the top half of the witness form and turn it in at the registration table.
 - An OUCC attorney will call speakers forward. All speakers will be sworn in and asked to spell their names for the court reporter.
 - The court reporter will record comments made under oath for the case record.
- Written consumer comments carry the same weight as oral comments made under oath.
 - If you submit written comments this evening, please use the witness form. If you have brought a letter or other documentation and would like to have it included, OUCC staff can attach it to your form.
 - Comments submitted after tonight must be in writing so the OUCC can file them for the formal case record.
 - The OUCC needs to receive all consumer comments no later than June 17, 2016. If comments are received after that date, we cannot guarantee that we can get them in the record.
 - The OUCC invites written comments by mail, email, fax, and online. (All of our contact information is on page 4.)

**The field hearing is one step in the process.
Its sole purpose is to give consumers the chance to speak.**

- Field hearings do not include presentations by utilities. In this case, Aqua Indiana filed testimony in March.
- Commissioners may not answer questions about the case. They will weigh the evidence and render a decision.
- OUCC staff will be available to answer questions about the process on an individual basis.

The OUCC has until June 24, 2016 to take a formal position.

- Under Indiana law, the OUCC represents the interests of all consumers (residential, commercial, and industrial) in cases before the IURC and federal utility commissions.
- Our attorneys and technical staff (accountants, economists, and engineers) are reviewing Aqua Indiana's request.
- We will file testimony and exhibits with the IURC that will explain the results of our review.
- We will review all written consumer comments received by June 17, 2016 and consider them in preparing our testimony. We will also file comments received by that date with the IURC.
- After it is filed, our testimony will be available online at www.in.gov/oucc/2616.htm.

This case includes a number of future steps. All dates are in 2016:

June 17	OUCC deadline to receive consumer comments for the record
June 24	OUCC files testimony
July 19	Aqua Indiana files rebuttal testimony
August 9	First day of IURC evidentiary hearing*
September & October (Dates TBD)	Aqua Indiana & the OUCC file proposed orders (closing arguments)
November or December	IURC order expected**

* The case's evidentiary hearing is scheduled to start on August 9, 2016 at 9:30 a.m. in Room 222 at the PNC Center (101 W. Washington St. in Indianapolis). It is expected to last several days. IURC evidentiary hearings are open to the public. But participation is typically limited to attorney and Commission questioning of technical witnesses for the case's formal parties.

** Final orders are issued at the IURC's weekly conferences, typically on Wednesday afternoons. Agendas are posted 48 hours in advance at www.in.gov/iurc/2428.htm.

All dates are subject to change. A settlement agreement is possible in any legal proceeding.

AQUA INDIANA SEWER RATE REQUEST: BASIC FACTS

Aqua Indiana, Inc. is seeking \$2.4 million in new, annual operating revenues for its Aboite Wastewater Division. It filed testimony, exhibits, and work papers with the IURC on March 1, 2016. The case is docketed as IURC Cause No. 44752.

The utility is requesting a two-phase rate increase. According to Aqua Indiana's testimony and exhibits:

- The monthly sewer bill for a metered residential customer using 5,000 gallons of water per month would rise from \$46.98 to \$56.29 when a Commission order is issued and to \$60.96 approximately a year later.
 - This would include an increase in the monthly service charge – the portion of the bill that does not vary with usage – from \$26.97 to \$32.32 in the case's first phase, and to \$35.00 in Phase Two.
- A residential customer who pays a flat, monthly unmetered rate would see his or her sewer bill rise from \$59.21 to \$70.96 when an order is issued and to \$76.83 approximately a year later.

The utility's testimony and exhibits cite increases in operating and maintenance costs while describing proposed capital improvements. Projects include doubling the Midwest Wastewater Treatment Plant's capacity, constructing a new office and field services building, and completing a series of infrastructure improvements aimed at addressing sanitary sewer overflow violations, manhole safety, capacity issues for current and future growth, and other matters.

The utility is also requesting approval of a \$1,300 system development charge. This one-time fee would not apply to current customers but would be charged to new customers or builders when a new, first-time connection is made to a home or business.

Current rates for Aqua Indiana's Aboite Wastewater Division were approved in 2011.

The OUCC will post case updates at www.in.gov/oucc/2616.htm.

All publicly filed documents are available online. To view the IURC's public case file:

- Visit www.in.gov/iurc and click the "Electronic Document System" link in the upper right portion of the page.
- Click the "Search Cases" link near the upper left corner of the following page.
- Enter 44752 in the first field on the search page (labeled "docket number").

Aqua Indiana's Aboite Wastewater Division provides sewage disposal service to more than 13,000 customers in Allen, Huntington, and Whitley Counties.

Rates and charges for other Aqua Indiana service territories throughout the state are not at issue in this case.

TO SEND COMMENTS AFTER TONIGHT

The OUCC welcomes written consumer comments:

- Online at www.IN.gov/OUCC. Click the “Contact Us” link on the left side of the page.
- By email at uccinfo@oucc.IN.gov.
- By fax at (317) 232-5923.
- By mail at:
Indiana Office of Utility Consumer Counselor
Consumer Services Staff
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204

Comments after the field hearing need to be in writing so that our staff can:

1. Properly review them, and
2. File them with the IURC for the formal case record. We are unable to take comments for the record by phone.

All comments we receive by June 17, 2016 will be filed with the IURC for the case record.

GENERAL AGENCY INFORMATION

Indiana Office of Utility Consumer Counselor (OUCC)

- State agency
- Represents the interests of all Indiana utility consumers, including residential, commercial and industrial, in cases before the IURC and federal utility regulatory commissions
- Staff of attorneys, accountants, engineers, economists, consumer services, and support personnel

Indiana Utility Regulatory Commission (IURC)

- State agency
- Regulates many, but not all, Indiana utilities.
- Regulates rates, financing, service territory, quality of service, etc.
- Required by law to make decisions that balance the interests of utilities and consumers